## REMARKS/ARGUMENTS

Favorable reconsideration of this application, in view of the above amendments and the following remarks, is respectfully requested.

Claims 4-8, 14-19 and 23-27 remain active in this application. By this amendment, Claims 4-8, 14-19 and 23-27 have been amended. Support for the amendments to Claim 4 is found, by way of non-limiting example, in application FIG. 15 and the associated specification description. Support for the amendments made to Claims 5-8, 14-19 and 23-27 is found, by way of non-limiting example, in application FIGs. 6B, 10, 11, and 12. Other amendments to the claims are formal in nature and have been made to improve their form for U.S. practice. Accordingly, it is respectfully submitted that no new matter has been added.

In the outstanding Office Action, the specification was objected to; Claims 4-8, 14-19 and 23-27 were rejected under 35 U.S.C. § 112, first paragraph, as failing to comply with the written description requirement; and Claims 4-8, 14-19 and 23-27 were rejected under 35 U.S.C. § 101 as directed to non-statutory subject matter. Claims 4-8, 14-19 and 23-27 were indicated as containing allowable subject matter.

Applicant hereby expresses appreciation for the grant of a personal interview on December 9, 2008. The substance of the interview is consistent with the arguments to be described below. Appreciation is hereby expressed for the agreement by the Examiner to reconsider any amendment to the claims in cooperation with the 101 Help Panel in view any new guidelines for patentability under *In re Bilski* and/or any other arguments presented.

Responsive to the objection to the specification as failing to provide proper antecedent basis for the claimed subject matter and the rejection of Claims 4-8, 14-19 and 23-27 under 35 U.S.C. § 112, first paragraph, as failing to comply with the written restriction requirement, reference to a computer and the language "computer readable" has been deleted from the

claims. Furthermore, by of way of non-limiting example, support for the elements of Claims 4 and 5 is listed as follows:

Support for the elements of Claim 4 in FIG. 15 is:

Receiving	Step S11
Detecting	Step S12
Dividing	Step S13
Decoding	Step S17
Calculating	Step S17
Outputting	Step S18

Support for the elements of Claim 5 in FIGs. 6B, 10, 11 and 12 is:

Detector Element 13 of FIG. 6B Code Divider Element 41 of FIG. 10 Component Code Detector Element 42 of FIG. 10

Colluder Number Calculator Element 46 of FIGs. 10 and 11

Accordingly, it is respectfully requested that the objection to the specification and the rejection of the claims under 35 U.S.C. § 112, first paragraph, be reconsidered and withdrawn.

Regarding the rejection of apparatus Claims 5-8, 14-19 and 23-37 under 35 U.S.C. § 101 as directed to non-statutory subject matter, attention is directed to the description of FIGs. 6B, 10, 11 and 12 in the brief description of the drawings and the detailed specification description. Therein, each of FIGs. 6B, 10, 11 and 12 is described as "structure". For example, FIG. 6B is a block diagram of the structure of the watermark detecting unit. Furthermore, other block diagrams such as FIGs. 7 and 16 are described as structure as well. The description of the structure of these figures is amplified in the Detailed Description in the specification. The representation of circuit structures as labeled rectangular boxes is consistent with the provisions of 37 C.F.R. § 1.83(a) which provides for illustrations in the drawings as labeled rectangular boxes. Accordingly, it is respectfully requested that the

rejection of Claims 5-8, 14-19 and 23-27 under 35 U.S.C. § 101 as directed to non-statutory subject matter be reconsidered and withdrawn.

Regarding the rejection of method Claim 4 under 35 U.S.C. § 101 as directed to non-statutory subject matter, it is respectfully submitted that Claim 4 recites the processing flow of circuit structure. The brief description of the drawings in the specification describes FIG. 15 as "a flowchart showing the processing flow in the code generating section according to the second embodiment of the present invention." FIG. 16 is described as "a block diagram showing the structure of the code generating section according to the second embodiment of the present invention." The detailed description in the specification amplifies the description of FIGs. 15 and 16. As pointed out above, FIG. 16 includes storage sections that one of ordinary level of skill in the art would recognize as structure and therefore one of ordinary level of skill in the art would recognize the entire block diagram of FIG. 16 as circuit structure. Thus, FIG. 15 and Claim 4 based thereon, are directed to the method of the circuit of FIG. 16. Therefor, Claim 4 is in compliance with the test of *Bilski* in that it is tied to a particular machine or apparatus. Accordingly, it is respectfully requested that the rejection of Claim 4 under 35 U.S.C. § 101 as directed to non-statutory subject matter be reconsidered and withdrawn.

Accordingly, it is respectfully requested that the rejections of Claims 4-8, 14-19 and 23-27 be reconsidered and withdrawn, and that Claims 4-8, 14-19 and 23-27 be found allowable.

Consequently, for the reasons discussed in detail above, no further issues are believed to be outstanding in the present application and the present application is believed to be in condition for formal allowance. Therefore, a Notice of Allowance is earnestly solicited.

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Reply to Office Action of September 19, 2008

Should the Examiner deem that any further action is necessary to place this application in even better form for allowance, the Examiner is encouraged to contact the undersigned representative at the below-listed telephone number.

Respectfully submitted,

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